

Ratio Study Narrative 2023

General Information	
County Name	HARRISON

Person Performing Ratio Study			
Name	Phone Number	Email	Vendor Name (if applicable)
Ken Surface	317-753-5555	ken@nexusltd.co	Nexus LTD

Sales Window	1/1/2022 to 12/31/2022
<p>If more than one year of sales were used, was a time adjustment applied?</p> <p>Sales window of 1/1/2022 thru 12/31/2022 was used.</p> <p>For the studies within the Improved Commercial and selected Improved Residential townships the sales window was expanded to include sales from 1/1/2021 thru 12/31/2021. This occurred in the following townships:</p> <p>Imp. Com.: Harrison</p> <p>Imp. Res.: Blue River, Boone, Heth, Washington, Taylor & Webster.</p> <p>The study used all of the same 2021 sales from the 2022 ratio study within these townships unless some significant change took place eliminating the use of the sale</p>	<p>If no, please explain why not.</p> <p>Improved Commercial – sales were not adjusted due to non-comparable properties being sold within the classification</p> <p>If yes, please explain the method used to calculate the adjustment.</p> <p>Imp Res. Sales were time adjusted by +7.1%. Per the Indiana Association of Realtors, the average median home price rose by +7.1% for Harrison County when comparing the 2021 period to that of the 2022 sales period. Sales were adjusted using a formula that adjusted the 2021 sale price by calculating the number of days between selling date and the 1/1/23 assessment date and then multiplying this by daily percentage based on an annual increase of +7.1%.</p> <p>The Indiana Association of Realtors data was deemed the most appropriate as it was based on 430 closed listing sales. There was not enough sales of “paired sales” to complete a study on.</p>

Ratio Study Narrative 2023

Ratio Study Narrative 2023

Groupings

Please provide a list of township and/or major class groupings (if any). Additionally, please provide information detailing how the townships and/or major classes are similar in market.
****Please note that groupings made for the sole purpose of combining due to a lack of sales with no similarities will not be accepted by the Department****

Vacant Residential Groupings:

Due to the lack of sales, multiple townships were combined into two groups. These groups were based upon the school corporation they are assigned to, which in Harrison there are three (3). Franklin Twp was the only stand-alone analysis as it is a stand-alone school corp.

RVCountyA = Harrison, Posey, Washington

RVCountyB = Blue River, Jackson, Morgan, Spencer

The townships of Boone, Heth, Taylor & Webster lacked sales to complete a study

Improved Residential Groupings:

Due to lack of sales, there was one grouping:

RIHethWash: Consists of Heth and Washington Township. These two townships share the same school corporation and have been combined on prior Ratio Studies as they always lack sales

Statistical studies were not completed in the classes of Industrial Vacant, Industrial Improved, Commercial vacant as there were not enough sales despite looking outside of the timeframe. This was the same occurrence for the 2022 Ratio Study

Only the township of Harrison had enough sales to conduct a study for the Improved Commercial class. This was the same occurrence for the 2022 Ratio Study.

AV Increases/Decreases

If applicable, please list any townships within the major property classes that either increased or decreased by more than 10% in total AV from the previous year. Additionally, please provide a reason why this occurred.

Property Type	Townships Impacted	Explanation
Commercial Improved	none	

Ratio Study Narrative 2023

Commercial Vacant	Blue River	The small \$ inc. was due to land base rate change
	Boone	The small \$ inc. was due to land base rate change
	Franklin	The small \$ inc. was due to land base rate change
	Harrison	The major contributory factor was newly created parcels
	Heth	The small \$ inc. was due to land base rate change
	Jackson	Result from one parcel which was improved LY and split off creating a small vacant tract
	Morgan	A newly created parcel was the result of the increase
	Webster	Decrease result of one parcel that was improved LY, now vacant
Industrial Improved	Blue River Franklin	New construction of 1 parcel Large increase was due to the new construction of an Amazon facility
Industrial Vacant	Blue River	Small \$ increase was due to land base rate change
Residential Improved	Boone	Increase due to land base rate change and Trending
	Franklin	Increase due to land base rate change and trending
	Harrison	Just shy of a 10% increase – increase due to land base rate change, trending and reassessment of dist. 007
	Heth	Just shy of a 10% increase – due to land base rate change and trending
	Jackson	Increase due to trending
	Morgan	Just shy of 10% increase – due to trending
	Spencer	Just shy of 10% increase – due to trending
	Taylor	Just shy of 10% increase – due to reassessment
Residential Vacant	Blue River	Increase due to land base rate change
	Boone	Increase due to land base rate change
	Franklin	Increase due to land base rate change

Ratio Study Narrative 2023

		Increase due to land base rate change & the addition of 15 new parcels. The cumulative AV for these 15 parcels accounted for 29.7% of the total increase dollar amount
	Heth	
	Washington	Increase due to land base rate change
	Webster	Increase due to land base rate change Result of two parcels that were improved LY, now vacant

Cyclical Reassessment

Please explain which townships were reviewed as part of the current phase of the cyclical reassessment.

The Predominate townships that were reassessed were Harrison (taxing district 007) and Taylor Township. See the Harrison Workbook file for a complete identification of all parcels reassessed.

Was the land order completed for the current cyclical reassessment phase? If not, please explain when the land order is planned to be completed.

Annual adjustments to the land order were completed and will be implemented for the 2023 assessment date.

Comments

In this space, please provide any additional information you would like to provide the Department in order to help facilitate the approval of the ratio study. Such items could be

Ratio Study Narrative 2023

standard operating procedures for certain assessment practices (e.g. effective age changes), a timeline of changes made by the assessor's office, or any other information deemed pertinent.

When determined appropriate, the standard operating procedure (SOP) for making effective age changes is based upon the following:

- Additions – compute an effective age based upon utilizing the original year constructed, the original square footage, the additional square footage added and any additional renovations taking place in the year of construction establishing a weighted average of all the components of value.
- Remodels/Renovations – compute an effective age based utilizing the original year constructed, the percentage of the entire house that was renovated, utilizing the DLGF percentage of completion chart to assist in establishing a weighted average of all the components of value).

IAAO Ratio Study standards indicate that “outlier ratios” can result from any of the following:

1. An erroneous sale price
2. A nonmarket sale
3. Unusual market variability
4. A mismatch between the property sold and the property appraised
5. An error in the appraisal of an individual parcel
6. An error in the appraisal of a subgroup of parcels
7. Any of a variety of transcription or data handling errors in preparing any ratio study

Outliers should be:

1. Identified
2. Scrutinized to validate the information and correct errors
3. Trimmed if necessary, to improve sample representativeness

As a result, there were individual parcels that met these guidelines and were trimmed. Reference the file titled Harrison Reconciliation File for those sales that were trimmed